

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0691-05
Bill No.: Perfected HCS #2 for HB 178
Subject: Taxation and Revenue - General; Political Subdivisions
Type: Original
Date: April 10, 2013

Bill Summary: This proposal changes the laws regarding a local ballot proposal by a political subdivision to enact a tax.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Oversight notes due to time constraints multiple agencies were unable to respond to the changes made by the amendments to this proposal.

§ 67.005 - St. Louis County Ballot Proposals:

House Amendment 3

Oversight assumes House Amendment 3 expands section 67.005 to include any political subdivision in Missouri.

Officials from the **Office of Secretary of State, City of Kansas City, Kansas City Board of Election Commission, St. Louis County Board of Elections**, and the **City of Columbia** each assume the proposal would not fiscally impact their respective agencies.

Oversight assumes the changes in this proposal require any tax submitted to and then rejected by the voters of any political subdivision in any county, should the tax proposal be resubmitted to voters at any time in the following two years, to be approved by at least 60% of the qualified voters voting on the proposal. Two years after the initial voter rejection of the tax proposal, it may be resubmitted to the voters of any political subdivision in any county with only a simple majority required.

Oversight assumes this proposal would not limit the number of times a vote can be held on the same issue by any political subdivision in Missouri, and therefore the amendment would not have a direct fiscal impact on state or local government funds.

ASSUMPTION (continued)

§ 67.312 - Sewage Treatment Fees:

House Amendment 1

In response to legislation similar to the amendment from 2013 (SB 297), officials from the **Public Water Supply District #2 of St. Charles County** stated this amendment would cause increased bond interest costs to the Water District of two million dollars per year (2014-2016). In addition, tens of thousands of dollars in banking, bond and legal fees would be incurred to help prevent defaults on existing bonds.

In addition, elections would cost the District more than fifty thousand dollars per year for 2014-2016 and beyond.

Losses in the District's revenue would be seven hundred forty thousand dollars per year for 2014-2016 for a total of over \$2.1 million.

Oversight assumes the language from the amendment is permissive in nature and would have no local fiscal impact without action by the governing body and approval by a majority of voters.

Oversight will show no direct fiscal impact on local government funds other than to Public Water Supply District #2 or St. Charles County.

In response to legislation similar to the amendment from 2013 (SB 297), officials from the **Department of Economic Development - Public Service Commission** and **Office of Public Counsel**, and the **Department of Natural Resources** each assume the amendments to this proposal would not fiscally impact their respective agencies.

ASSUMPTION (continued)

§ 115.131 - Tie Vote Procedures in Primary Elections:

House Amendment 2

In response to legislation similar to the amendment from 2013 (HB 189), Officials at **Buchanan County, Kansas City Board of Election Commission** and the **Office of the Secretary of State** each assume there is no fiscal impact to their organization from this proposal.

Officials at the **Platte County Board of Election Commission** assume no cost to the Election Commission; however, the entity conducting a tie-breaker election would have a cost ranging from \$50,000 to \$60,000 depending on the district size.

Officials at the **St. Louis County Board of Election Commission** assume this would pose a problem for the Commission as our software system is not capable of leaving off a political party under the candidate's name for the general election when all other candidates names will have their political party designated.

Oversight assumes this establishes a procedure for when there is a tie vote. Since it is rare and unpredictable when a tie would occur, Oversight will not reflect an impact from this proposal in the fiscal note.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
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LOCAL POLITICAL SUBDIVISIONS

House Amendment 1

<u>Costs</u> - Public Water Supply District #2 of St. Charles County § 67.312 - Fee Collection	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
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ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
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FISCAL IMPACT - Small Business

House Amendment 1 - Sewer fees (§67.312):

Small businesses could be affected by differences in sewage and wastewater service fees from what would be allowed under current law.

FISCAL DESCRIPTION

House Amendment 1 - Sewer fees (§67.312):

This section prohibits increases in premiums or fees charged for sewer or wastewater treatment in St. Charles County without a vote of the people.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Office of the Secretary of State
City of Kansas City
City of Columbia
Kansas City Board of Election Commission
St. Louis County Board of Elections

A handwritten signature in black ink, appearing to read "Ross Strobe".

Ross Strobe
Acting Director
April 10, 2013